

NEW YORK'S TAX PROBLEM

(Continued from First Page.)

porations the taxes they should pay and from other corporations taxes which they never have paid.

Public utilities corporations and miscellaneous corporations cannot be forced to pay their share of the tax under the existing laws. The only way to reach these corporations is to impose a tax on their gross income.

The Special Franchise Tax Law, which was fought by the corporations until they found they could not beat it and was then adopted by them to their own purposes, must be amended. The Evening World has discovered the city has presented the public utilities corporations with \$15,000,000 in fourteen years by compromise in special franchise taxes outside of court action and will show up the system by which the public utility corporations of this city, after deriving their living from the taxpayer, turn around and rob him by deliberately dodging the payment of taxes.

TAXATION FIGURES THAT STAGGER AVERAGE TAXPAYER.

It is known to very few persons in New York that the value of real estate in this city assessed for taxation purposes is \$2,220,601,014. This includes \$228,647,000 of property of public service corporations, and included in this latter item is \$403,000,000, the assessed valuation of public service corporation property in the city streets on which special franchise taxes are supposed to be collected.

Now prepare for an astounding revelation. The real estate of the city will pay in taxes this year approximately \$174,000,000. And the public service corporations, including steam

railroads, in all taxes will pay only \$18,000,000. Real estate pays in taxes nearly ten times as much as the public service corporations.

There is much real property in this city which returns more than 10 per cent. on the assessed valuation, and there is much more that pays less than 10 per cent. or pays nothing at all. For purposes of comparison we will say that the \$5,000,000 worth of taxable realty in this city gives its owners a gross return of 10 per cent. Said owners realize in rentals supposedly \$500,000,000 a year.

Out of this \$500,000,000 they will pay this year \$174,000,000 in taxes. A simple arithmetical calculation proves that over 21 per cent.—almost one-fourth of the income of New York real estate—is paid out for taxes.

THE COMPARATIVE IMMUNITY OF THESE CORPORATIONS.

Now look at the public service corporations of the City of New York. What proportion of the burden of taxation is imposed upon them for the privilege of doing business in the greatest city in the world?

Of the gas and electric light companies the twelve most important are paid by the citizens of New York \$75,000,000 a year; the public contributes to the street railways, including subway and L. lines, \$94,000,000 a year. The telephone and telegraph companies receive from the citizens of New York about \$40,000,000 a year. These are the public utility corporations which can be checked up, but there remains another class—the steam railroads. There are no figures available as to the amount directly received by the steam railroads every year solely because they have their terminals in this the greatest industrial community on the globe. The Evening World has in-

terviewed transportation experts in passenger and freight departments and has found a wide divergence of opinion. Striking an average it may be said that the steam railroads receive each year exclusively, because of the advantages offered by New York City, not less than \$35,000,000.

New York City pays each year to gas and electric companies \$75,000,000 To street railway companies 94,000,000 To telegraph and electric companies 40,000,000 To steam railroads 35,000,000 A total of \$244,000,000

Here is close to a quarter of a billion dollars of gross returns to public utility corporations arising out of the fact that they are doing business in New York City. The public utilities corporations, including steam railroads, pay in all taxes, including the farcical special franchise tax, only \$18,000,000 a year into the public treasury.

Real estate, with a gross income of less than a billion dollars a year, pays \$174,000,000 in taxes, or almost ten times as much as the public utility corporations, whose gross income is almost one-fourth that of real estate. Following this line to its logical conclusion we find that—

IF PUBLIC SERVICE CORPORATIONS PAID IN TAXES THE PROPORTION OF GROSS INCOME PAID BY REAL ESTATE THEY WOULD CONTRIBUTE TO THE CITY NOT FAR FROM \$61,000,000 A YEAR INSTEAD OF \$18,000,000 A YEAR.

Inasmuch as the proportion of gross income of steam railways within the city, which is the direct result of the advantage of having terminals in New York, is conjectured to be a considerable extent, look into the purely local public service corporations.

The returns of the street railways, including subways and "L" lines and of the electric light and gas companies are a matter of record on file with the Public Service Commission. The returns of the telegraph companies are based on computations made from an official basis of comparison which was established by the Western Union—that one-seventh of the telegraph business of the country is done in this city. The telephone receipts are matters of record brought out while The Evening World was fighting for a 5-cent toll rate throughout the greater city.

It is found that the street railways systems are assessed for taxation purposes on a valuation of \$289,907,979, and that their gross returns from fares, freight, rent, sale of power and other sources is, according to the latest figures available, \$94,000,000 a year. The gross return of the street railways amounts to about 33.1-3 per cent. of the assessed valuation of their property in the City of New York, while it is stretching possibilities when it is assumed that the gross return on real estate amounts to 10 per cent.

The property of the gas and electric companies is assessed for \$240,480,567, and their gross receipts are \$75,000,000 a year. Their gross income is almost 33.1-3 per cent. of the assessed value of their property.

The telephone and telegraph companies have property in the city which is assessed for taxation purposes at a valuation of \$124,903,514. Their local gross receipts are \$40,000,000 a year—close to 33.1-3 per cent. of the assessed valuation of their property.

On a valuation of \$655,292,060 the electric railways, gas, electric light, heat and power and telegraph and telephone corporations will pay in taxes this year close to \$14,000,000. IF THEY PAID TAXES IN PROPORTION TO THE SHARE BORNE BY REAL ESTATE, THEY WOULD CONTRIBUTE TO THE CITY TREASURY NOT FAR FROM \$44,000,000.

As for the Special Franchise Tax Law it need only be said that the tax does not impose on the public service companies an adequate proportion of their share of taxation and the public service corporations have managed to evade about 25 per cent. of that inadequate tax levy. If the public service corporations don't like the tax assessment they refuse to pay it, the city goes to law and the matter winds up in a compromise. The way to get around this, as The Evening World will show by illustrations, is to

collect whatever tax is imposed on corporations as soon as it is due and let the dissatisfied corporations fight about it afterward in the way of seeking to recover their money.

A case in point in this connection is that of the Consolidated Gas Company, which fought The Evening World from trenches, ambush, fortifications and law offices for many long months before this paper, with the aid of the Legislature and the courts, forced the reduction in the price of gas to 50 cents.

In its report of business of the year 1914, on file with the Public Service Commission, the Consolidated Gas Company admits that it received in gross earnings \$14,185,246.18 and paid only \$609,184.99 in all taxes. Of this sum \$160,000 was for State taxes and \$50,544.04 for Federal income taxes. All the Consolidated Gas paid the city in 1914 in taxes out of more than \$14,000,000 gross receipts was \$244,320, and of this amount paid the city for taxes it collected FROM THE CITY FOR LIGHTING THE STREETS AND MUNICIPAL BUILDINGS \$229,854. So the net tax payment made to the city in 1914 by the Consolidated Gas Company was \$14,866, or a little in excess of 0.1 per cent. of the gross receipts.

The statement shows that the Consolidated Gas Company owes the city \$1,745,070 in unpaid special franchise taxes, \$958,901 in taxes on mains, pipes and connections, \$6,547 in unpaid taxes on real estate and \$452,727 for personal taxes. The special franchise tax imposed by the city in 1914 on Consolidated Gas was \$341,656.46. The company refused to pay the amount and placidly allowed the city to add it to the other unpaid special franchise taxes stretching back into bygone years.

THE CONSOLIDATED GAS COMPANY OWES THE CITY FOR UNPAID TAXES, MOSTLY FRANCHISE TAX, \$3,174,246.

The Evening World does not advocate that public utility corporations be asked to contribute 25 per cent. of their gross earnings to the city treasury in the shape of taxes. But real estate stagers along under almost as heavy a burden. And is there any reason why public utility companies which earn enormous incomes because they are located in a city of

6,000,000 people should not bear a greater share of the burden of taxation?

It is said on behalf of the public utility corporations that if it were not for the street railways, the steam railways, the gas and electric companies, there would be no New York. On the other hand, if all the people were to move out of New York the public utility corporations would be about as profitable as an ice cream parlor at the North Pole.

New York has been very kind to the public utility corporations. It has permitted them to wreck themselves through stock market manipulation; it has allowed them to dodge their share of taxation and has supinely submitted to legislation, passed in Albany, which had for its sole purpose the reduction of taxes on corporations engaged in public service and the increase of taxes on real estate within the city.

SICK FUND PROVIDED BY EDISON COMPANY.

Corporation Joins With Employees in Plan for Pensions and Invalid Benefits.

Six thousand employees of the New York Edison Company and its allied concerns will profit by its sick benefit fund and service annuity—the latter amounting to long service pension provision—announced by the company yesterday.

Under the pension provision an employee who is fifty years old or over and has worked continuously twenty-five years or longer, will, subject to the approval of the directors, receive a pension at the rate of 3 per cent. of his wages for each year of service with the company. The maximum pension that will be paid is about 60 per cent. of the average wages during the last five years of service.

She Knew No Anna Steinhäuser. Mrs. E. Conny of No. 143 Kosciuszko Street, Brooklyn, asks The Evening

World to explain that no one of the name of Anna Steinhäuser lives at that address. The name of Anna Steinhäuser was mentioned in a letter written by W. L. Field, who committed suicide at the Hotel Alhambra, and Mrs. Conny wishes it made clear that no one in her home knows anything of those who figured in the case.



Good-Night, Corns, Good-Boy "Gets-It"

New-Plan Corn Remedy That Never Fails. The Simple, Common Sense Way.

You poor corn-sufferers, with corns, wrinkles and heart pain! Sit down, shut your eyes and put a few drops of "Gets-It" on your corns. You can apply it in just a few



seconds, without fuss or trouble. What's the use applying salves that make toes raw and sore, that make corns swell, bandage that make it misery to walk, tape that sticks, greasy ointment, and other contraptions. Get rid of corns the easy way, quick, simple, sure, new way. That's common sense. Try "Gets-It" also for warts and bunions. "Gets-It" can't hurt—the corn lozenges and comes right off—clean off.

"Gets-It" is sold at all druggists, 25c a bottle, or sent direct by E. Lawrence & Co., Chicago. "Gets-It" is sold in New York by Hiker-Heeman's—Advt.

Don't Pay \$1 a Garment when

\$1.00

buys this Whole Union Suit, or

50c

A Single Garment

You men who have been paying \$1.00 a garment for ordinary underwear, why not get a complete Hanes Union Suit for the same price. Look what you get for your money in Hanes Union Suits.

A snug, elastic collar that will keep your neck warm and won't flare out. Specially knitted cuffs that hug the wrists and will not rip. Form-fitting anklets that keep the wind out and your legs warm.

HANES

ELASTIC KNIT UNDERWEAR

Has Unbreakable Seams

You can get your money back or a new Hanes Union Suit or garment free of charge if any seam breaks or rips. What other underwear carries such a guarantee? Don't stop at one suit, men. Your money does double work when you buy Hanes, so buy two or three suits while you're about it. See the dealers' names below.

P. H. HANES KNITTING CO., Winston-Salem, N. C.

IMPORTANT

This advertisement may not appear again, so cut out the names of these Hanes dealers right now.

FRANK & ADLER 1881 3d Ave.
GRAND CENTRAL CLOTHIERS 3d Ave., Cor. 42d St.
BLUMENFELD'S DEPT. STORE 1821-23 2d Ave.
R. M. KOLISCH 439 9th Ave., Cor. 55th St.
JOSEPH J. KLEIN 1430 1st Ave.
SAM GREENBERG & SONS 76 Avenue C
BENJAMIN FINE 167 First Ave.
BENDHEIM & STRAUSS 123 Lenox Ave.
MORRIS FELDMAN 67 South St.
THE LEWIS CO.—LOUIS ISAACS 1410 3d Ave.
THOS. COURTNEY & SON 310 Spring St.
JACK GOLDBERG 88 Desbrosses St.
H. SILVERMAN 298 8th Ave.
A. & M. GOODMAN 193 First Ave.
L. KASSNER 200 Madison St.
HENRY BERKSON 48 Greenwich St.
JOSEPH SHAPIRO 1718 First Ave.
JOSEPH KARALIER 45 Lenox Ave.
ISAAC MARKS 254 Bway
LOUIS SILVERMAN 141 Avenue C
S. ROSENFIELD 1962-64 Third Ave.
J. KOLISCH & SON 731 Grand St.
M. SELINGER 231 First Ave.
M. J. DAVIDSON 28 8th Ave.
JACOB HARRISON 2123 Second Ave.
THE ROBERTS CO. 53 Whitehall St.
LENOX DEPT. STORE Cor. 137th & Lenox Ave.
VICTOR LEVY 207 1st Ave.
MAGLIETTA BROS. 177 Spring St.
HELLENIC TAILORING CO. 691 6th Ave.
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DAVE DEY 1645 Broadway

C. B. TRIPLER, Inc. SEIDEN & KARTAGENER
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AARON KLEIN M. MEIVNER
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SUGARMAN DEPT. STORE
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DAVID WEINER S. GOLDSTOFF
P. J. HARTNETT I. LEVINE
JOS. RAG ROBT. C. TOMPKINS
146 Richmond Ave., Port Richmond
228-30 Broad St., Stapleton, N. I.
48 Arrietta St., Tompkinsville, S. I.
87 Water St., Stapleton, S. I.
171 Broad St., Stapleton, S. I.

36 Park Row 39 Avenue B
113 Mulberry St. 529 Second Ave.
165 Orchard St. 288 St. Ann's Ave.
681 E. 187th St. 973 Pacific St., Brooklyn
16 Olive St., Brooklyn
130 Central Ave., Brooklyn
5th Ave., 50th & 51st Sts. (Brooklyn, Bay Ridge)
158 Norman Ave., Brooklyn
73 Moore St., Brooklyn
347 Grand St., Brooklyn
853-5 Fulton St., Brooklyn
673 Third Ave., Brooklyn
467 Myrtle Ave., Brooklyn
125 5th Ave., Brooklyn
S. J. SCHREIBER 2603 Atlantic Ave., Brooklyn
1881-91 Broadway, Brooklyn
192 Driggs Ave., Brooklyn
690 Morris Ave., Brooklyn
484-86 Graham Ave., Brooklyn
187 Manhattan Ave., Brooklyn
8th Ave. at 56th St., Brooklyn
1672 Myrtle Ave., Brooklyn
1027 Flushing Ave., Brooklyn

FURS

At Actual Manufacturer's Prices

Specials Thurs., Fri. & Sat. GUARANTEED AS REPRESENTED
Russian Pony Coats 32.50
Trimmed in Selected Furs, Nearest Coats 45.00
Hudson Seal Coats 85.00

SEAL VELOUR \$19.95
PLUSH COATS
Fur Trimmed, Dept. Store Price, \$35 SPECIAL

Red Fox Sets, 18.50
Real Kitt Fox Sets, 45.00
Real White Fox Sets, 45.50

May's SPECIALTY SHOP
134 W. 34th Street
Opp. Macy's—Look for No. 134

B. Altman & Co.

FIFTH AVENUE-MADISON AVENUE

Thirty-fourth Street

NEW YORK

Thirty-fifth Street

FURS AND FUR GARMENTS

An Assortment of Fur Garments, Muffs & Neckpieces

of the most exclusive and rarest of Furs is displayed, in addition to the more moderately priced Models.

Also an extensive collection of Natural Silver and Natural Blue Fox Sets, ready for immediate wear; as well as choice Skins for individual selection.

An Important Sale of Fox Furs for to-morrow (Thursday) will afford exceptional values:

	MUFFS	SCARFS		MUFFS	SCARFS
Slate Colored Fox	\$55.00	\$55.00	Rose Colored Fox	\$45.00	\$45.00
Blue Colored Fox	55.00	55.00	White Fox	45.00	35.00

ALSO A NUMBER OF MEN'S OVERCOATS OF BROADCLOTH (lined with Natural Muskrat)

In Oxford or black, with collars of Beaver, Hudson Seal, or Persian Lamb, at the special price of \$58.00

A Distinctive American Novelty in Evening Hosiery

is being introduced, gorgeously sequined in a variety of iridescent hues. In the elaborate design the high boot effect is attained, the sequins blending with the sliken shade of the hose, and harmonizing with richly scintillant evening gowns, or a jeweled corsage.

Other novelty designs, as well as hosiery in plain colors, present every facility for selection.

The First Showing of Evening Boots of Satin

will interest those who contemplate the selection of an "a la mode" style. These Boots, which will be made to order in any of the fashionable evening shades, are unusually graceful in contour, are ten inches in height, and the effect of slimmness is perfectly achieved. In every detail, they may be accounted the Boot of distinction. Hosiery to match.

Women's and Misses' Smart Winter Hats

will be placed on Special Sale to-morrow in the Millinery Department on the First Floor.

TRIMMED HATS in a diversity of attractive styles, in Velvet, Maline or Jet, at \$9.50
UNTRIMMED HATS of Silk Beaver or Velvet at \$2.75